

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

EMBOTTELADORA ELECTROPURA
S.A. de C.V., an El Salvador Corporation,
Plaintiff,
v.
ACCUTEK PACKAGING EQUIPMENT
COMPANY, INC., a California
Corporation,
Defendant.

Case No.: 3:16-cv-00724-GPC-MSB

**ORDER DENYING JOINT MOTION
TO STRIKE JURY VERDICT AND
GRANTING JOINT MOTION TO
DISMISS CASE WITH PREJUDICE**

[ECF Nos. 170, 173, 174]

On May 20, 2020, Plaintiff Embotteladora Electropura (“Plaintiff”) and Defendant Accutek Packaging Equipment Company (“Defendant”) (collectively, “Parties”) settled the case. ECF No. 168. On September 14, 2020, the Parties filed a joint motion to dismiss the case with prejudice and to strike the jury verdicts pursuant to the settlement negotiate by the Parties. ECF No. 170. On September 17, 2020, the Court ordered the Parties to file a memorandum of points and authorities identifying the authority for striking the jury verdicts. ECF No. 172. On September 21, 2020, Plaintiff and Defendant each filed a response to the Court’s order. ECF Nos. 173, 174.

1 Defendant argues that the Court has the inherent authority to strike the jury verdict
2 from the record pursuant to its power to control the docket. ECF No. 173 at 2–3 (citing
3 *Ready Transp., Inc. v. AAR Mfg., Inc.*, 627 F.3d 402, 404 (9th Cir. 2010)). Defendant
4 states that the purpose of the Parties’ stipulation to strike the jury verdict was to preserve
5 Defendant’s business reputation. *Id.* at 3. Plaintiff states that it “was unable to locate any
6 statutory or decisional law which authorizes or empowers this Court to strike lawfully
7 rendered and entered jury verdicts from the official record of the trial proceedings in this
8 action.” ECF No. 174 at 2.

9 A court’s power to control its docket, including the ability to strike a filing from
10 the docket as a sanction for improper litigation conduct, does not give it free reign to
11 strike documents from the public record at the request of the parties. District courts are
12 not required to vacate a prior order in order to facilitate settlement. *See Bates v. Union*
13 *Oil Co.*, 944 F.2d 647, 650 (9th Cir. 1991). Although the current joint motion seeks to
14 strike the jury verdict, the Court finds case law on motions to vacate court orders
15 pursuant to settlement instructive. *See Bancorp Mortg. Co. v. Bonner Mall Partnership*,
16 513 U.S. 18, 29 (1994) (requiring a showing of “exceptional circumstances” to justify
17 vacatur of district court judgment when mootness of appeal arose through settlement);
18 *Am. Games, Inc. v. Trade Prods., Inc.*, 142 F.3d 1164, 1169–70 (9th Cir. 1998) (finding
19 that district courts should weigh the equities when determining whether to vacate a prior
20 judgment).

21 Like court orders, jury verdicts “are not merely the property of private litigants” to
22 be used as bargaining chips in settlement negotiations, but exist in part for public benefit
23 and “should stand unless a court concludes that” vacatur is in the public interest. *Bonner*
24 *Mall*, 513 U.S. at 26–27 (quoting *Izumi Seimitsu Kogyo Kabushiki Kaisha v. U.S. Philips*
25 *Corp.*, 510 U.S. 27, 40 (1993) (Stevens, J., dissenting)). “The public interest in
26 preserving the work product of the judicial system should always at least be weighed in
27
28

1 the balance before . . . a motion [to vacate] is granted.” *Izumi*, 510 U.S. at 41 (Stevens, J.
 2 dissenting). A number of district courts have denied motions to vacate an order pursuant
 3 to settlement. *See, e.g., BrightEdge Techs., Inc. v. Searchmetrics, GmbH*, No. 14-CV-
 4 01009-HSG, 2019 WL 1369915, at *2 (N.D. Cal. Mar. 26, 2019) (finding global
 5 settlement did not constitute exceptional circumstances to vacate judgment and declining
 6 to exercise equitable discretion to order vacatur); *POLAR-Mohr*
 7 *Maschinenvertriebsgesellschaft GmbH, Co. KG v. Zurich Am. Ins. Co.*, No. 17-CV-
 8 01804-WHO, 2018 WL 8344296, at *1 (N.D. Cal. May 11, 2018) (“The parties also
 9 stipulated to vacate the Order Regarding Cross-Motions for Summary Judgment The
 10 parties lack the authority to agree to vacate court orders, it is not my practice to vacate
 11 orders as part of a settlement, and I will not vacate the one in question.”); *Reynolds v.*
 12 *Allstate Ins. Co.*, No. C-10-4893-SI, 2012 WL 4753499, at *1 (N.D. Cal. Oct. 4, 2012)
 13 (declining to vacate an order on summary judgment as part of a global settlement).

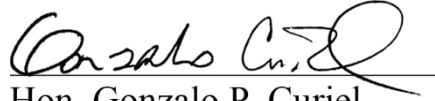
14 Defendant notes only that the stipulation to strike the jury verdict was negotiated as
 15 a part of the Parties’ settlement and that striking the jury verdict would protect its
 16 business reputation. In contrast, the public interest generally favors public access to
 17 judicial records. *See Nixon v. Warner Commc’n, Inc.*, 435 U.S. 589, 597–98 (1978).
 18 Defendant “make[s] no attempt to hide the fact that [it] seek[s] to ‘buy an eraser for the
 19 public record’ through conditional settlement.” *Gardner v. CafePress Inc.*, No. 3:13-CV-
 20 1108-GPC-JLB, 2015 WL 13427727, at *2 (S.D. Cal. Jan. 9, 2015) (citing *Am. Games*,
 21 142 F.3d at 1170). The Parties have thus failed to make a showing that the public interest
 22 warrants striking the jury verdict.

23 As to the joint motion to dismiss with prejudice, Plaintiff has joined the motion to
 24 strike the jury verdict in compliance with the settlement agreement. There was no
 25 provision that the granting of the joint motion to strike was a condition precedent to the
 26 motion to dismiss. Therefore, the case can be dismissed.

1 Accordingly, the Court **DENIES** the Parties' joint motion to strike the jury verdict.
2 The Court **GRANTS** the Parties' joint motion to dismiss the case with prejudice.

3 **IT IS SO ORDERED.**

4 Dated: September 23, 2020


Hon. Gonzalo P. Curiel
United States District Judge